

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1678
ANSWERED ON:09.03.2007
OPENING OF BANKS IN SINGAPORE
Owaisi Shri Asaduddin

Will the Minister of FINANCE be pleased to state:

- (a) whether according to the India-Singapore Comprehensive Economic Cooperation Agreement (CECA), the banks of both the countries can open their branches in either country and accord Qualified Full Bank (QFB) Licence;
- (b) if so, the number of banks operating in India and Singapore of either country at present;
- (c) whether applications of State Bank of India and other banks are pending before Monetary Authority of Singapore (MAS) for QFB licence;
- (d) if so, the details hereof;
- (e) the number of application pending before Reserve Bank of India (RBI) of Singapore banks for opening of Bmks in India;
- (F) whether stand taken by RBI and MAS in the implementation of CECA has been delayed; and
- (g) if so, the steps taken or being taken for early implementation of CECA?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

- (a) & (b): India - Singapore Comprehensive Economic Cooperation Agreement (CECA) provides that Singapore may grant upto a maximum of 3 bank licences with Qualifying Full Bank (QFB) privileges to Indian banks with or without operations in Singapore and such Indian banks may be admitted directly as QFBs. India has agreed to provide 15 branches to three Singapore banks over a period of four years. As on 30th September, 2006, eight Indian banks had presence in Singapore and one Singapore bank in India.
- (c) to (e) : Yes, Sir. Applications of three Indian banks, including State Bank of India, for a licence are pending approval of Monetary Authority of Singapore (MAS). Applications of two Singapore banks for nine branch licences are pending.
- (f) & (g) The Government is of the view that grant of QFB status to SBI in Singapore and approval for new branch licences to Singapore banks in India should be done simultaneously and on reciprocal basis.